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## Axiata posts RM365 million in profits for FY25, strengthens balance sheet and improves cash flow

The Group declares second dividend per share of 5.0 sen, resulting in a total full year dividend of 10.0 sen

- Reported profit stood at RM364.6 million. Excluding one-off non-cash impairment and disposals, profit was RM761.8 million.
- Underlying PATAMI surged 36.3% YoY to RM536.7 million, reflecting strong underlying performance of the Group's operating companies.
- Net Debt/EBITDA strengthened to 2.46x from 2.61x in 3Q25, following debt reduction supported by disciplined capital allocation and active liability management.
- Strong cash generation, with operating free cash flow of RM1.6 billion, supporting debt reduction and dividend declaration.
- The Group received RM1.7 billion in dividends from all operating companies, underpinned by steady cash generation across the portfolio.
- Axiata declares a second dividend of 5.0 sen per share, bringing FY25 total dividend to 10 sen per share.

### Key Highlights for FY25<sup>1</sup>: Effective completion of Axiata's 5\*5 strategy

#### *Axiata 5\*5 Strategy Milestones Achieved*

- FY2025 marked the successful completion of Axiata's 5\*5 strategy, which focused on market consolidation, balance sheet repair, portfolio simplification and strengthening operating foundations to unlock the full potential of operating assets. With these priorities achieved, Axiata enters its next phase under the Axiata28: Advancing Asia strategy with a more focused portfolio, clearer execution priorities to support progressive dividend growth, improved returns and a stronger balance sheet.

#### *Synergy delivery on track for CelcomDigi*

- **CelcomDigi: Resilient performance for FY25, driven by cost disciplines and synergies.** CelcomDigi continued its steady performance supported by disciplined execution and integration progress. The business remains on track to achieve targeted merger synergies of RM700 to RM800 million post 2027, contributing stable earnings and consistent dividend upstreaming to the Group. Growth was driven by postpaid, home & fibre segments with synergy targets on track for early 2027. The company declared 14.7 sen dividend per share in FY25.

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<sup>1</sup>Discussion of FY25 performance is based on Combined Operations for the Group

### ***Structural transformation in Indonesia***

- The merger of XL and Smartfren into XLSMART marked a key milestone in Axiata's portfolio transformation. Integration progressed as planned in FY2025, strengthening market structure and driving strong revenue growth year-on-year and quarter-on-quarter, supported by improved market condition, higher ARPU and an expanded subscriber base. While EBITDA and PATAMI were impacted by integration costs and accelerated depreciation, integration is progressing ahead of plan, positioning margins to expand in FY2026, with XLSMART continuing to lead in 5G rollout.

### ***Business resilience in frontier markets***

- Axiata's frontier market operations delivered strong profitability in FY25, underpinned by disciplined cost management, improving ARPU trends and resilient operating execution amid macroeconomic and currency pressures. Dialog delivered strong profit growth supported by mobile-led performance and integration synergies, Smart recorded steady growth driven by prepaid and enterprise momentum, while Robi sustained profitability through disciplined cost management and balance sheet strengthening. Frontier markets have reduced their US dollar debt exposure and are now net positive on foreign exchange. However, reported performance was affected by the stronger ringgit against operating currencies.

### ***Creating value through infrastructure***

- EDOTCO delivered a resilient performance with strong margins, underpinned by disciplined cost management and continued demand across key markets. Linknet continued its transition towards an open-access fibre model, advancing strategic repositioning to support long-term value creation despite near-term earnings impact. In line with the Axiata28: Advancing Asia strategy, the assets continue to be progressed for monetisation.

### ***Illuminating value in digital businesses***

- ADA remained profitable in FY2025, reflecting improved margins and disciplined execution. Boost continued to narrow losses as its lending business scaled, supported by a growing loan book, reinforcing its path towards sustainable profitability and value realisation. They remain on track for value illumination.

**KUALA LUMPUR, 26 FEBRUARY 2026** – Axiata Group Berhad (“Axiata” or “the Group”) today announced a profit of RM364.6 million for the financial year ended 31 December 2025 (“FY2025”), after one-off impairment and disposals. These largely non-cash items relate to strategic actions taken in the year to reposition the Group's portfolio and strengthen its balance sheet. Excluding these items, profit was RM761.8 million, reflecting resilient operating performance.

On an underlying basis, profit after tax and minority interests (“PATAMI”) rose 36.3% year-on-year (“YoY”) to RM536.7 million, driven by stronger operating performance across key markets, disciplined cost management and improved earnings contributions from the Group's operating companies. This reflects the underlying resilience of the Group's portfolio amid a challenging macroeconomic and foreign exchange environment.

The Group's performance was underpinned by strong profit and cash flow delivery from frontier markets, stable contributions from jointly controlled entities, and continued balance sheet optimisation, in line with the Axiata 5\*5 strategy.

FY2025 also marked the successful completion of Axiata's 5\*5 strategy, which focused on stabilisation, balance sheet repair and portfolio simplification.

### ***Strong financial position and cash generation***

Axiata continued to prioritise balance sheet strengthening in FY2025, supported by disciplined capital management and sustained deleveraging across the Group. As at year end, Net Debt/EBITDA improved to 2.46x from 2.74x in FY2024, reflecting continued debt reduction at the holding company, EDOTCO and frontier market operating companies.

At the holding company level, debt was reduced to RM7.0 billion, following partial redemption of Euro Medium Term Notes ("EMTN") and proactive liability management. Since the launch of the Axiata 5\*5 strategy in 2023, holding company debt has been reduced materially, reinforcing the Group's financial resilience.

Axiata delivered strong cash generation, with free cash flow rising by 12.8% YoY to RM1.6 billion. This supported continued debt repayment at EDOTCO, Dialog and Robi, and improved liquidity at the holding company level.

### Operational Highlights in FY2025:

- **Synergy realisation from Jointly Controlled Entities:** Axiata continued to unlock value from market consolidation in Malaysia and Indonesia. CelcomDigi delivered steady performance in FY2025 and remains on track to achieve targeted merger synergies, contributing stable earnings and consistent dividend upstreaming. In Indonesia, the successful XL-Smartfren merger into XLSMART strengthened market structure and has positioned the larger entity to realise operational synergies and long-term value.
- **Strong profit and cashflow growth in resilient frontier markets:** Frontier markets demonstrated resilience amid macroeconomic and currency pressures. Robi sustained its profitability via cost efficiency measures, posting a 33.3% YoY PATAMI growth. Dialog recorded robust mobile-led growth, driving YoY PATAMI growth of 66.7%, while Smart delivered steady performance with revenue growth of 4.8% and PATAMI growth of 5.9%, supported by improving ARPU.
- **Value illumination of Infrastructure business:** EDOTCO delivered a resilient FY2025 performance, achieving a record EBITDA margin of 74.1%, with strong flow-through to earnings and PATAMI more than doubling after excluding the Myanmar operations. Linknet continued its transition towards a wholesale, open-access fibre model; while near-term performance was impacted by the business model shift, progress in ISP expansion and open access strengthened its long-term value platform.
- **Driving performance in Digital Businesses:** ADA remained profitable in FY2025, supported by improved margins and disciplined execution. Boost continued to scale its lending business, reinforcing its path towards sustainable profitability and value realisation, with losses continuing to narrow.

- **Disciplined balance sheet optimisation:** Dialog and Robi continued to deleverage, with Robi reducing borrowings to near zero by year-end, reflecting robust cash flows, lower finance costs and tighter working capital discipline. EDOTCO strengthened its balance sheet through proactive liability management, including debt repayments supported by internal cash generation and asset monetisation, while benefiting from lower depreciation following the extension of tower useful lives. These actions improved financial resilience at the operating-company level, reduced funding costs and enhanced the Group's capacity to upstream dividends and support future investments.

During the year, Axiata received robust shareholder returns, with RM1.7 billion in dividends upstreamed from its jointly controlled entities and frontier markets. CelcomDigi maintained its quarterly dividend, contributing RM574.7 million, while XLSMART contributed RM390.6 million which included a special dividend in December, supported by its strong FY2025 performance and continued merger integration progress.

Frontier markets contributed RM694.8 million, supported by strong cash flow generation, including RM253.4 million from Dialog, RM142.3 million from Robi and RM299.2 million from Smart.

The Group declared a second dividend of 5.0 sen per share, bringing total dividend for FY2025 to 10.0 sen per share, supported by robust cash flows and a healthier balance sheet.

FY2025 marked the successful completion of Axiata's 5\*5 Strategy, a phase focused on stabilisation, balance sheet repair and portfolio resilience. With stronger foundations in place, the Group now transitions into Axiata28: Advancing Asia, advancing its role as a smart asset manager with a more focused telecommunications and technology portfolio, centred on disciplined execution, sustainable value creation and long-term growth across Asia.

## Commentaries

**Tan Sri Shahril Ridza Ridzuan, Chairman of Axiata** said, "The Board is encouraged by the progress achieved in 2025, particularly in strengthening cash generation, restoring balance sheet resilience and improving earnings visibility across the Group. As Axiata transitions to Axiata28: Advancing Asia, our focus remains on disciplined capital allocation, consistent execution and sustaining returns across a more focused and resilient portfolio. In light of Axiata's performance, the Board is pleased to announce a second dividend of 5.0 sen per share. This brings the Group's overall dividend declaration to 10.0 sen per share for the full year 2025.

**Vivek Sood, Group Chief Executive Officer and Managing Director of Axiata** said, "2025 marked the conclusion of a critical phase in Axiata's transformation as we completed our Axiata 5\*5 Strategy. Over the past three years, we strengthened the core of the operating companies, improved financial resilience and sharpened our strategic focus across markets. Disciplined execution enabled us to improve performance, strengthen cash flows and reinforce a strong Group balance sheet.

"With key market consolidations completed and integration progressing well, our operating companies are now positioned to deliver strong cashflows in a more rational market structure. Our frontier markets continue to demonstrate resilience and contribute steady cash flows, while in Malaysia and Indonesia, merger synergies are translating into improved earnings visibility. These outcomes affirm the strategic choices we made and provide a stronger platform for sustainable performance."

“As we move forward, Axiata enters its next chapter as a smart asset manager under the Axiata28: Advancing Asia Strategy. Our focus will be on steady execution, disciplined capital allocation and actively managing an optimal portfolio mix of cash-accretive telecoms businesses and value-accelerating technology businesses that collectively enhance returns and deliver sustainable, yield-driven growth for shareholders. Lower holding company costs and reduced Group debt will provide much greater visibility and predictability of dividend flows to our shareholders.”

## **Appendix: Operating Company Performance Summary**

Performance insights for each operating company are provided below.

### ***Digital Telcos***

**CelcomDigi: Revenue growth and cost discipline drive earnings resilience.** CelcomDigi delivers steady FY25 revenue growth of 2.2% driven by strong performance in Postpaid, Home & Fibre, and TechCo segments, partially offset by softer Prepaid and Enterprise Mobile performance. EBIT grew by 15.7% reflecting lower depreciation, amortisation and impairment costs; PAT grew by 10.1%, lifted by lower depreciation and tax benefit. FY25 merger synergy targets are on track, and the company declared 14.7 sen dividend per share for FY25.

**XLSMART: Merger successfully executed, with FY25 synergy targets achieved.** Strong QoQ revenue growth of 3.9% driven by a 15% increase in mobile ARPU. Business fundamentals remained strong despite one-off adjustments and ongoing integration. FY25 reported PAT declined by over 100%, impacted by integration costs, accelerated depreciation and a Linknet impairment. The company achieved its FY2025 synergy target of USD150–200 million and declared a dividend of IDR244.7 per share for the year.

**Robi: Resilient performance, sustaining profitability through cost efficiency amid macroeconomic pressures, strengthened its balance sheet, with borrowings reduced to near zero by yearend.** Revenue grew 2.9% QoQ, supported by year-end contributions flowing through to EBITDA. For FY2025, revenue remained broadly flat amid persistent macroeconomic pressures. Cost efficiency measures helped sustain EBITDA, with PATAMI reaching BDT9.4 billion. The balance sheet was further strengthened, with borrowings reduced to near zero by end FY2025, and a dividend of BDT1.75 per share declared for the year.

**Dialog: Sustained momentum driven by mobile-led growth and integration synergies.** Delivered a resilient fourth quarter despite the impact of the Ditwah cyclone in Sri Lanka, with positive momentum across all key metrics. FY25 revenue growth was driven mainly by a strong 23% YoY increase in Mobile, supported by organic growth and Airtel consolidation. Ongoing cost optimisation and merger synergies delivered strong YoY growth in EBITDA (29.2%), EBIT (82.0%) and PATAMI (66.7%). The company declared LKR1.50 dividend per share for FY25.

**Smart: Prepaid ARPU growth and cost efficiencies driving PATAMI growth.** Revenue increased 6.2% QoQ, supported by year-end growth and the absence of free data offers in Q325. For FY25, revenue grew 4.8% YoY driven by sustained growth in the Prepaid segment through higher ARPU and subscribers. Cost efficiencies delivered stronger EBIT and PATAMI growth of 11.0% and 5.9%, respectively. The company contributed a dividend upstream of approximately USD70 million in FY25.

## **Digital Businesses**

**Boost: Loan book expansion and continued narrowing of losses.** QoQ revenue rose by 38.1% driven by stronger non-bank segment performance. This was supported by higher interest income from the bank segment as the loan book expanded by 32.7% QoQ to RM310million. For FY25, financial performance improved with losses narrowing to RM125.7 million.

**ADA: Solutions led growth, with underlying profitability improved through disciplined cost management.** Revenue grew 15.4% QoQ, supported by a year-end uplift in Solutions (ecommerce) activity, driving double-digit EBITDA and EBIT growth. For FY25, revenue increased marginally by 0.5%, while EBITDA grew stronger by 30.9% underpinned by disciplined cost management. However, PATAMI growth was impacted by forex losses arising from strengthening of the Ringgit.

## **Infrastructure**

**Linknet: Challenging FY25, with meaningful progress in ISP expansion and open access transition.** Performance weakened due to the shift in its business model as a FibreCo, and lower than expected contributions after the carve-out of its ServeCo segment. However, the company signed Build-to-Suit contracts with twelve internet service providers (ISPs) for 500,000 Homes Passed, resulting in near-term pressure on EBIT and PATAMI performance.

**EDOTCO: Strong profit growth as all national tower companies profitable except the Philippines, where losses are narrowing.** For FY25, revenue declined 5.9% YoY primarily due to foreign exchange headwinds. Nevertheless, PATAMI (excluding EDOTCO Myanmar disposal losses) more than doubled to RM378.5 million, supported by higher forex gains and lower finance costs following the partial settlement of a USD90 million loan. All NTCs delivered profitable results except the Philippines, where losses continued to narrow. The company upstreamed RM53.9 million in dividends during the year.

- Ends -

## **About Axiata**

Axiata is a leading Converged Connectivity Group in Southeast and South Asia, strategically blending its digital telco operations with digital businesses and infrastructure. With two jointly controlled entities in Malaysia (CelcomDigi) and Indonesia (XLSMART), the Group holds controlling stakes in mobile and fixed operator companies in Sri Lanka (Dialog), Bangladesh (Robi), and Cambodia (Smart).

Axiata's regional digital business verticals comprise Boost, a fintech company, and ADA, a data and AI experience company. Linknet, its fibre broadband company based in Indonesia and EDOTCO, the sixth largest independent tower company operating across nine countries, complement Axiata's portfolio, ensuring robust connectivity and infrastructure support across the region.

Axiata, a committed long-term investor, empowers regional progress by championing innovative technology and bridging the digital divide. The Group actively supports young talent, communities, and climate initiatives, striving to unite the region's best in innovation and connectivity to foster a thriving, inclusive, and sustainable future across its markets. Find out more at [www.axiata.com](http://www.axiata.com)

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